

# KNIGHTS GROVE (NORTH BADDESLEY) MANAGEMENT COMPANY LTD

## MINUTES OF ANNUAL GENERAL MEETING HELD ON WEDNESDAY, 5<sup>TH</sup> MARCH 2014 AT 7.00PM AT BADDESLEY BAPTIST CHURCH

### Members Present:

Mr. and Mrs. Richardson	-	2 Chilcott Court
Mr. and Mrs. Howes	-	5 Authie Green
Mr. and Mrs. Brice	-	11 Borden Way
Mr. and Mrs. Lovell	-	18 Thomas Road
Mr. Collings	-	37 Fulford Road
Mrs. Collier	-	85 Borden Way
Mr. Wallwork-Green	-	3 Folland Close
Mr. and Mrs. Gasson	-	29 Borden Way
Mr. Williams	-	2 Authie Green
Mr. Durrant	-	23 Harris Way
Mr. Lines	-	12 Thomas Road
Mrs. Luria	-	37 Borden Way
Miss Taylor	-	2 Harris Way
Mr. Sparkes	-	18 Chilcott Court
Mr. and Mrs. Kent	-	82 Borden Way
Mr. Harding	-	61 Borden Way
Mr. Hill	-	26 Harris Way

The Managing Agents, Residential Management Group were represented by Joe Davey, Regional Manager, Jessica Leggate, Property Manager and Steven Lord, Hertford Company Secretaries.

The Meeting was chaired by Steven Lord.

The meeting was opened at 7.07pm.

Steven Lord opened the meeting by introducing himself, Joe Davey and Jessica Leggate to the residents present.

### Apologies:

Jessica confirmed that she had received the following apologies:

Mrs. Barber	-	25 Fulford Road
Ms Daw	-	12 Harris Way
Mr. Sharples	-	5 Borden Way
Mr. Brown	-	1 Fulford Road
Mr. and Mrs. Maxwell	-	1 Harris Way
Mr. Fleet	-	41 Fulford Road
Mr. Hayward	-	4 Fulford Road
Mr. and Mrs. James	-	21 Borden Way
Mr. and Mrs. Need	-	10 Carpiquet Walk
Miss Owens	-	6 Harris Way

### 1. Special Resolution:

It is intended that in the near future that Resident Directors are appointed in order for RMG to resign. Before this takes place, the inaccuracies in the Memorandum and Articles of Association need to be addressed.

After explaining the concept of a Management Company, Steven Lord advised that it had been proposed that a special resolution be passed in order to change the Memorandum and Articles of Association as these have been poorly written.

The Memorandum and Articles are currently worded in a way that nobody has any voting rights and therefore Steven has suggested that the resolution is passed to change the Memorandum and Articles so that they say what they are intended to say.

The Articles already stipulate that there must be at least two Directors and no maximum, Steven advised that it was proposed that a special resolution be passed to change Article 28 to say that there shall be at least one Leasehold Director and one Freehold Director in order to keep a good balance.

He also proposed that Article 42 is replaced to state that the quorum required for a Directors' Meeting shall be at least one Leaseholder and one Freeholder in attendance.

Residents present raised the following queries:

**Q: Why has it taken so long to get to the point of appointing Resident Directors?**

A: There are still outstanding matters that have not been dealt with. The Freeholds which should be transferred to the Management Company are still invested in Taylor Wimpey and it is unclear as to what land is to remain as part of the Management Company's responsibility.

**Q. Why is there no demand for RMG to attend the Meeting?**

A. RMG will generally always attend the Directors' Meetings to advise Directors on decisions.

**Q. Are there any liabilities for Directors?**

A: Yes there are liabilities and responsibilities that residents should be aware of. As such a leaflet containing information on the responsibilities will be circulated to all residents prior to the intended EGM. Steven also confirmed that once Directors are in place, it is strongly recommended that Directors and Officers Insurance is put in place in order to protect the Directors against any claim that may arise.

**Q In relation to funds, residents were concerned that funds collected for the estate for example, could be spent on items relating to the flats.**

A: Joe confirmed that at the end of 2013, all accounts were split out so that funds are ring fenced.

**Q: Could the blocks of flats exercise their right to manage?**

A: Yes, however the process is very involved. RTM will not allow the block to separate from the Management Company and therefore they would still have the requirement to contribute towards the estate and Management Company running costs.

With no further questions, members present voted by way of raising their hands to confirm agreement to passing the following resolutions – **the vote was unanimous.**

1. *removing Article 24 (b) (i), replacing it with "Resolutions designated by the Directors as relating only to maintenance of the internal common parts and the fabric of the buildings containing the leasehold properties shall be voted upon only by the Leaseholders."*
2. *removing Article 24 (b) (ii) from its Articles of Association.*
3. *replacing Article 28 with "Until otherwise determined by the Company in General Meeting, there shall be not less than two and there shall be no maximum number of Directors. There shall be at least one Leaseholder Director and one Freeholder Director."*
4. *replacing Article 42 with "Until otherwise determined by the Company in General Meeting, the quorum for a Directors' meeting shall be two provided that at least one Freeholder and one Leaseholder are in attendance. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of a meeting shall have a second or casting vote."*

## **2. Legal Issues between Taylor Wimpey and Management Company:**

### **Q: Have Taylor Wimpey handed over?**

A: The situation has not changed since the last AGM held in 2012. Taylor Wimpey have not issued a Head Lease, the legal documentation is still not in place. At the last AGM, Joe recommended that resident directors were not appointed whilst it is unclear what the Management Company's responsibilities are. RMG cannot force Taylor Wimpey to hand over, however as this matter is not close to a resolution, RMG would facilitate the EGM if residents are happy to take on Directorship whilst this is unresolved.

### **Q: Are Taylor Wimpey contributing towards the maintenance costs and why are residents paying if the land has not been transferred?**

A: No, Taylor Wimpey do not contribute, the responsibility for the maintenance is with the members of the Management Company as per the lease/TP1.

Residents were unhappy as they felt that Taylor Wimpey are just doing what they want and have asked what RMG can do about this?

At present, Taylor Wimpey are effectively RMG's client, however when Directors are nominated, they can then instruct RMG to take action against Taylor Wimpey on the members' behalf.

It was suggested that the Legal contact at Taylor Wimpey, David Brotherhood, is invited to the next EGM.

Jessica will provide contact details for David and provide confirmation of all contact made with him.

## **3. Current Financial Position:**

Joe confirmed that financially, Knights Grove (North Baddesley) MCL was in a good position.

He also confirmed that the majority of the deficit charge relating to 2005-2010 had been paid, leaving a small proportion which was outstanding. This will remain on the accounts until such time that they are settled or the property is sold.

Joe confirmed that although the 2013 Year End Accounts have not been finalised as yet, it is anticipated that there will be a surplus.

The 2012 and 2013 accounts will be issued to RMG's Technical Team in order for the splits to be completed.

## **4. Date for EGM:**

The EGM will be called and will take place in approximately 60 days from today.

Director nominations will be circulated prior to the meeting and nominees will be invited to state their reasons for becoming a Director.

## **5. Any Other Business:**

The following issues were raised under Any Other Business:

### **a) Fencing**

Jessica confirmed that the storm damaged fence panels were being covered by the insurance and currently awaiting instruction for repairs. She will check progress and that all information in respect of the panels is correct.

**b) Cigarette Burns in 29-39 Borden Way:**

The carpet has been damaged by cigarette ends in the communal area. The insurers will not cover the entire carpet therefore Jessica will need to source carpet of the same or similar design.

**c) Grounds Maintenance in Harris Way:**

Test Valley is responsible for this area however it is not maintained frequently. Jessica confirmed that she has previously spoken with Test Valley and they have confirmed that they are not obligated to attend at a set frequency.

**d) Salt Bins:**

The Local Authority have advised that they will be supplying salt bins free of charge therefore RMG will no longer arrange for these to be put in place.

**e) Explanation of Management Fee Increase:**

Management Fees have seen a large increase over the last 3 years. Jessica will look into this.

With no further business, the meeting was closed at 8.07pm.

Jessica Leggate,  
Property Manager,  
Residential Management Group Limited.

Note: Please note our office hours are 8.00am to 6.00pm Monday to Friday.